



California Fair Political Practices Commission

March 29, 1988

Mr. Ernest Braun
Attorney at Law
27823 Montereina Drive
Rancho Palos Verdes, CA 90732

RE: Your Request for Advice
Our File No. I-88-092

Dear Mr. Braun:

You have requested advice under the campaign disclosure provisions of the Political Reform Act (the "Act").^{1/} Because you are inquiring about the filing obligations of several of your clients and you have not identified them, this letter constitutes informal assistance pursuant to Regulation 18329(c).^{2/}

QUESTIONS

(1) Is there a limit on how much an individual or a corporation may contribute to a state candidate being voted upon in California?

(2) What restrictions, if any, are placed on a corporation when making campaign contributions to another corporation?

^{1/}Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

^{2/}Your letter states only a general question. Therefore, we consider it to be a request for informal assistance pursuant to Regulation 18329(c) (copy enclosed). Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 84113; Regulation 18329(c)(3).)

CONCLUSIONS

(1) The Act does not limit how much money an individual or corporation may contribute to state officeholders, state candidates or state measure committees. However, cities and counties may impose campaign requirements additional to or different from those contained in the Political Reform Act. These additional or different requirements may only be imposed on local officeholders, local candidates, or committees formed to support or oppose local ballot measures being voted upon in that jurisdiction. (Section 81009.5(b).)

(2) The Act does not restrict or prohibit corporations from making campaign contributions to other corporations. A corporation which makes contributions of \$10,000 or more in a calendar year will qualify as a major donor committee and be required to file disclosure statements. (Section 82013(c).) A corporation which receives contributions aggregating \$1,000 or more in a calendar year for purposes of making expenditures to support state or local candidates or measures will qualify as a recipient committee and be required to register and file disclosure reports. (Section 82013(a).) (See pages 6, 7 and 8 of the enclosed "Information Manual on Campaign Disclosure Provisions of the Political Reform Act" for examples of recipient and major donor committees.)

If a corporation acts as an intermediary in the making of a contribution, the Act provides that:

No person shall make a contribution on behalf of another, or while acting as the intermediary or agent of another, without disclosing to the recipient of the contribution both his own full name and street address, occupation, and the name his employer, if any, or his principal place of business if he is self-employed, and the full name and street address, occupation, and the name of employer, if any, or principal place of business if self-employed, of the other person. The recipient of the contribution shall include in his campaign statement the full name and street address, occupation, and the name of the employer, if any, or the principal place of business if self-employed, of both the intermediary and the contributor.

(Section 84302.)

ANALYSIS

Elected officeholders, candidates for state and local elected offices, and "committees" are subject to the Act's campaign disclosure provisions. Section 82013 defines "committee" as:

Any person or combination of persons who directly or indirectly does any of the following:

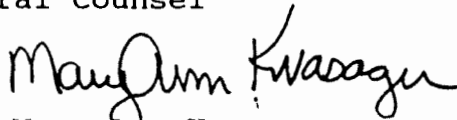
- (a) Receives contributions totaling one thousand dollars (\$1,000) or more in a calendar year;
- (b) Makes independent expenditures totaling one thousand dollars (\$1,000) or more in a calendar year; or
- (c) Makes contributions totaling ten thousand dollars (\$10,000) or more in a calendar year to or at the behest of candidates or committees....

Enclosed please find (1) the Political Reform Act of 1974 as amended to January 1, 1988, (2) the "Information Manual on Campaign Disclosure Provisions of the Political Reform Act," and (3) a complete set of campaign disclosure forms for your use and information.

If you have additional questions concerning this matter, please contact me at 916/322-5662.

Sincerely,

Diane M. Griffiths
General Counsel



By: Mary Ann Kvasager
Political Reform Consultant

Enclosures
DMG:MAK:kmt

Ernest Braun
Attorney at Law
27823 Monterey Drive
Rancho Palos Verdes, California 90732
(213) 831-3647

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February 27, 1988

Fair Political Practices Committee
P.O. Box 807
Sacramento, Ca 95804

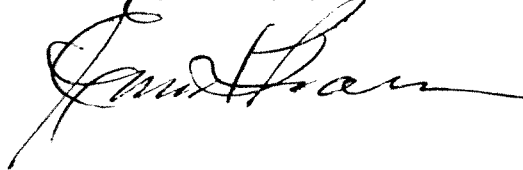
Sir:

I have a number of clients, both individual and corporate, that need advice regarding contributions to California State candidates, amount limitations if any, the mechanics and restrictions, such as contributing funds to another corporation which in turn contributes, (no concealment intended) and the use of political action committees.

If there is literature that can assist I would appreciate receiving same.

Thank you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ernest Braun", written in dark ink.



California Fair Political Practices Commission

March 2, 1988

Ernest Braun
Attorney at Law
27823 Monterey Drive
Rancho Palos Verdes, CA 90732

Re: 88-092

Dear Mr. Braun:

Your letter requesting advice under the Political Reform Act was received on March 2, 1988 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Jeanne Pritchard
Jeanne Pritchard
Chief
Technical Assistance and Analysis
Division

JP:plh

88-092

Ernest Braun
Attorney at Law
27823 Monterey Drive
Rancho Palos Verdes, California 90732

MAR 2 0 03 AM '88

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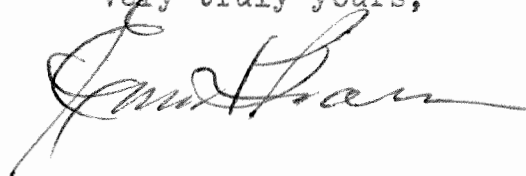
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